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32

Page No. ~~1~~ 32

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Next Review Date: 2 2 1979

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TO: Deputy Director of Central Intelligence

SUBJECT: Relative Merits of Employing Consultants or Part-time (WAE) Personnel

1. PROBLEM

To determine the relative merits of employing consultants or part-time (When Actually Employed) personnel.

2. FACTS BEARING ON THE PROBLEM:

- a. The Agency has authority for obtaining the services of both consultants and part-time (WAE) personnel. Also, it is the policy of the Agency to utilize various types of temporary personnel to meet short-range personnel requirements which cannot be met through the use of available career employees [REDACTED]
- b. Other Federal departments and agencies regularly utilize both consultants and part-time personnel to meet their short-range or intermittent personnel needs.
- c. The Agency utilizes consultants, but has utilized part-time personnel only on a very limited basis. During the past summer the use of dependents of present Agency personnel was approved to meet temporary personnel needs in certain Agency components. These individuals were employed on a contract basis and were mainly clerks, stenographers and typists.
- d. The question of making Social Security deductions for part-time personnel has posed a security problem for the Agency. During the summer such deductions were made for the few part-time personnel who were employed. However, the Office of the General Counsel has since issued an opinion that Social Security deductions should not be made for individuals employed on a contract basis (Tab A).

3. DISCUSSION:

- a. A consultant may be defined as an individual who, because of his special skills or experience, furnishes advice and guidance on an intermittent or short-range basis in the accomplishment of highly specialized functions, such skills or experience being unavailable in the regular staff. Part-time (WAE) personnel, on the other hand, are personnel who perform regular Agency functions on a part-time or "when needed" basis. They may, or may not, be specialists and they are utilized only because there is no full-time

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requirement for their services. It is obvious from these definitions that personnel who qualify under the latter category should not be employed as consultants.

- b. From a financial point of view, whether or not it is more advantageous to the Agency to employ an individual as a consultant or as a part-time (WAE) employee will depend upon the individual case. Generally speaking, however, it is more advantageous to employ on a part-time (WAE) basis rather than on a consultant basis. The relative advantages and disadvantages of utilizing consultant and part-time (WAE) personnel are considered further in Tab B.
- c. Part-time (WAE) personnel can be employed either on a T/O basis through a regular personnel action or on a contract basis. It is considered that employment on a T/O basis is administratively more difficult and burdensome than on a contract basis, which is considered to be a simpler procedure. Employment on a T/O basis would necessarily involve the usual T/O and ceiling procedures and the strength accounting procedures relating thereto. The use of the contract device on the other hand avoids these procedures. Further, since the number of individuals who would be employed on a part-time (WAE) basis through use of the contract device would be relatively small in comparison to the total number of Agency contract personnel, it is believed that it would not be proper to charge this small number of personnel against the personnel ceilings of the offices concerned without consideration of the overall problem of charging contract personnel to office ceilings.

4. CONCLUSIONS:

- a. The Agency should hire part-time (WAE) personnel in preference to other types of personnel, including consultants, whenever this device is beneficial from an administrative or financial standpoint, and when the services to be rendered involve regular Agency functions or activities.
- b. Part-time (WAE) personnel should be employed on a contract basis in the interest of administrative simplicity, and such positions should not be subject to the usual T/O and ceiling requirements.

5. ACTION RECOMMENDED: It is recommended that:

- a. Personnel who are not properly consultants, but whose services are required on a part-time (WAE) basis be employed by means of a suitable contract.
- b. Such positions be exempt from normal T/O and ceiling procedures, but that the cost of personnel so employed be absorbed within the Personal Services (01) Funds of the Agency component concerned.

/s/ L. K. White

Acting Deputy Director (Administration)

ANNEXES:

Tab A and B

ACTION BY APPROVING AUTHORITY:

APPROVED:

24 Nov 53

/s/ C. P. Cabell
Deputy Director of Central Intelligence

STATINTL OPD: [REDACTED] imp (12 Nov 53)

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